MERCHANDISING CORPORATION OF AMERICA
100 Universal City Plaza, Universal City, California 91608 • (2) 508-1848

MERCHANDISING LICENSE AGREEMENT

September 18, 1981

TIGER ELECTRONIC TOYS INC.
909 Orchard
Mundelein, Illinois 60060
Attn: William J. Pasco, Sr.-VP

Local Representative:

Gentlemen:

We own or control the specified proprietary subject matter and have the right to grant the license herein granted. The following represents our mutual agreement whereby we grant you a license to utilize the specified proprietary subject matter from our theatrical/television property, on or in connection with the manufacture, sale and distribution of articles, as set forth below:

Proprietary Subject Matter, including copyright and trademark material as follows: TITLE: KING KONG

Characters/Approved Artwork: to be specified

Articles: handheld electronic game, video game, cartridges for video games or table top

Territory: United States and Canada also United Kingdon, West Germany, France, Japan, Hong Kong

Manufacture and shipment from or to a non-United States country and/or distributor(s) requires our prior written approval of country and manufacturer and/or distributor. We may require signed agreement between us and your manufacturer(s) prior to granting our approval.

Term: Eighteen (18) months commencing on the date hereof INITIAL HERE

Option: None/one ~~consecutive year, same terms and conditions, exercisable by written notice together with advance herein at least 30 days prior to expiration of the term hereof~~ ~~Renewable on year to year basis~~ see reverse

Royalty Rate: five percent (/**) of gross wholesale sales, all sales to be calculated on in-territory-delivery wholesale prices excluding FOB extra-territory prices, no deductions of any sort (including but not limited to trade ~~discounts, freight~~, and advertising) allowed except quantity discounts and returns, but not returns for credit, no free samples shall be allowed. Royalty reports in full detail, including a product sales breakdown by style number, articles, artwork, and country, and payments shall be made quarterly within 21 days after each calendar quarter. Acceptance thereof by us shall not preclude us from questioning correctness of same at any time. If such royalty report and/or payment in any calendar quarter is late, the guarantee set forth herein shall become immediately due and payable, at our written demand. On reasonable notice, we have the right to have an independent certified public accountant, or our authorized representative examine your records. Non-U.S. royalties for non-U.S. territories licensed hereunder shall be in U.S. dollars at the closing rate of exchange on the above date.

All accounting records and all supporting original documents and summaries and correspondence shall be maintained for 3 years after expiration of the term hereof. If any royalty payment is late, interest shall accrue thereon from the due date, at the then current prime interest rate. You will provide us with a financial report annually during the term hereof. If a review of your records indicates a discrepancy of 3% or more, you shall pay us our auditing fees and expenses for said audit.

All payments and reports shall be made to: Merchandising Corporation of America, Inc.

Minimum Annual Royalties Guarantee: $30,000 / *** 3,000.00 Payable: on or before March 17, 1983

Nonrefundable Annual Advance Against Royalties: $15,000 Payable: on execution hereof.

ADDITIONAL TERMS

You shall make best efforts to manufacture, sell and/or distribute substantial quantities of the articles during the entire term hereof. after production starts around 6 months

If, during any calendar quarter, you fail to sell, manufacture and/or distribute substantial quantities of all or any article licensed hereunder, we may terminate this agreement as to article(s), territory, or in whole by written notice. ** Your activities including any good will developed hereunder shall accrue to the benefit of Universal City Studios, Inc., and all ownership, copyrights, trademarks and patents in articles licensed hereunder, as well as in all artwork, packaging, copy, literary text, advertising material of any sort, including all such material developed by you, shall be in the name of Universal City Studios, Inc., and all such items shall bear copyright and trademark notices and any other legal notices as we direct, and as follows:

Copyright: © 1981 Universal City Studios, Inc. All rights reserved.

Trademark: KING KONG™* *a trademark of and licensed by Universal City Studios, Inc.

You agree that you shall sign separate patent, trademark and/or copyright agreements with us or our designee at our request. ** We shall control absolutely all infringement litigation involving or affecting this license. We may join you as a party thereto at our expense. ** You hereby agree to defend and indemnify us and all persons whose names and/or likenesses are licensed hereunder against all claims, damages, suits and expenses, including legal fees arising out of your use of the licensed subject matter. You shall obtain Comprehensive General Liability Insurance including Products Liability Insurance to cover the terms and conditions of the indemnity in the amount of at least $1,000,000. You shall comply with all applicable Federal and State laws of territory and will observe all safety standards. ** We shall indemnify you against all claims, suits, damages and expenses, including legal fees, arising out of our breach of our representation hereunder. ** All prototypes and all stages of production of the articles and of all artwork, copy, packaging, literary text and advertising material, including the quality and style thereof shall be subject to our prior written approval before manufacture, sale and/or distribution thereof. In addition, all such material supplied by us to you shall be at your expense. ** You shall supply us with samples of the articles at our request. **We shall not license any other person for the specific goods licensed hereunder in the territory specified herein. Excluded from this obligation shall be any non-territory firm or corporation licensed by us in five or more countries. ** Premiums are not licensed hereunder; we reserve premiums to ourselves. ** If you become insolvent, bankrupt or any similar situation should occur to you, or if you fail to perform any of your obligations hereunder, we may terminate this agreement by our written notice, unless you remedy same within the ten days and notify us in writing thereof within that period. ** On expiration or termination hereof, all royalties are immediately due and payable, and you shall immediately stop manufacture, sale and distribution of all articles licensed and send us a complete inventory report and accounting with payment due within 30 days. On expiration only, you shall have a period of 60 days in which to sell off previously manufactured articles licensed hereunder, accounting and payment therefor shall be due 30 days thereafter. Thereafter all goods shall be destroyed and Certificate of Destruction sent to us. On expiration or termination, all rights licensed hereunder or otherwise acquired in relation to this agreement shall revert to us or our designee. ** You agree that your failure to stop manufacture, sale and/or distribution upon expiration or termination hereof as provided above will result in immediate irreparable damage to us, that there is no adequate remedy at law for such failure, and that in the event of such failure, we shall be entitled to injunctive relief, no bond shall be required therefor. ** If for any reason we are required to remove the name and/or likeness of any actor or artwork from this license, you shall delete same from the articles and related items on our written request, and we may substitute any other name and/or likeness or artwork for same; nor are we obligated to continue to exhibit the theatrical or tv property. We shall be entitled to legal and auditing fees and expenses in the enforcement of any provisions of this agreement. ** We are neither partners nor joint venturers hereunder, and you have no power to obligate or bind us in any manner whatsoever. ** Your rights and obligations hereunder are personal to you and shall not be assigned, mortgaged, sublicensed or otherwise encumbered by you or by operation of law. ** Our failure or delay to enforce any rights hereunder shall not be a waiver of such rights or a modification of this agreement.

This license shall be construed in accordance with the laws of the State of California, and claims and/or lawsuits may be brought in Los Angeles County in our sole discretion if both parties reside in the U.S.A. This represents our whole agreement, all other agreements are merged herein. No changes may be made except in writing signed by both parties.

Please indicate your understanding and agreement to the above by signing where indicated below.

UNDERSTOOD AND AGREED:

TIGER ELECTRONIC TOYS INC.
By William J. Pasco (Licensee)
Date: 9/22/81

MERCHANDISING CORPORATION OF AMERICA, INC.
By (Licensor)
10/2/81

INITIAL HERE

*on the handheld game and video game and six (6%) percent on all cartridges

** 7% on sales to United Kingdom, West Germany, France, Japan, Hong Kong

*** $3,000.00 royalty for foreign sales payable June 1982

(see reverse

Merchan. Lic. Agmt.
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SSS 9-18-81 (1)
Form 3142